Chapter 7 - General Accounting

INTRODUCTION

R*STARS provides users with many general accounting capabilities. These general accounting areas include:

- **General Ledger Accounting** — encompassing the classification of assets, liabilities, equity, budgetary, nominal and memorandum accounts into a "chart of accounts."
- **Journal Entries** — including general ledger level adjustments and adjustments effecting financial tables.
- **Interagency Transfers** — providing for reconciliation of interagency transfers through the use of agency general ledger accounts.
- **Cash Control** — ensuring that expenditures do not exceed available cash balances.
- **Recurring Transactions** — providing the ability to define and automatically generate transactions which recur on a predefined basis.

These general accounting capabilities are discussed in detail in the following sections.

7.1 GENERAL LEDGER ACCOUNTING

The general ledger is the primary source for financial statement preparation. R*STARS maintains a separate group of self-balancing general ledger accounts for each agency. The balance type posted by the transaction code (TC) to the Document Financial table could be any valid balance type in the D05 Balance Type Profile. See examples in Appendix B of this manual in Chapter 1 under heading "Profile Relationships." See R*STARS Report Guide, Appendix A, for a complete list of balance types.

The development of an organization's chart of accounts and subsidiary support structure is described in the following paragraphs.

Defining the Chart of Accounts

The chart of accounts should be comprised of the various types of accounts which meet the agencies' internal and external reporting requirements. Each general ledger account is maintained in the R*STARS Summary General Ledger table. The data maintained in the General Ledger Financial table for each of the general ledger accounts is at the lowest level in the classification structure.

The following data elements are maintained in this table for each general ledger account:

- Agency
- Comptroller/Agency GL
- Index
- Organization Code
- PCA
- Program Code
- Function Code
- Appropriation Year
- Appropriation Number
- Fund
- Grant and Phase
- Subgrantee **(not used in Michigan)**
- Project and Phase
- Comptroller Object
- Agency Object
- Trans Year
- Agency Code 1, 2 and 3
- Debt Investment Issue Number **(not used in Michigan)**
- Contract Number **(not used in Michigan)**

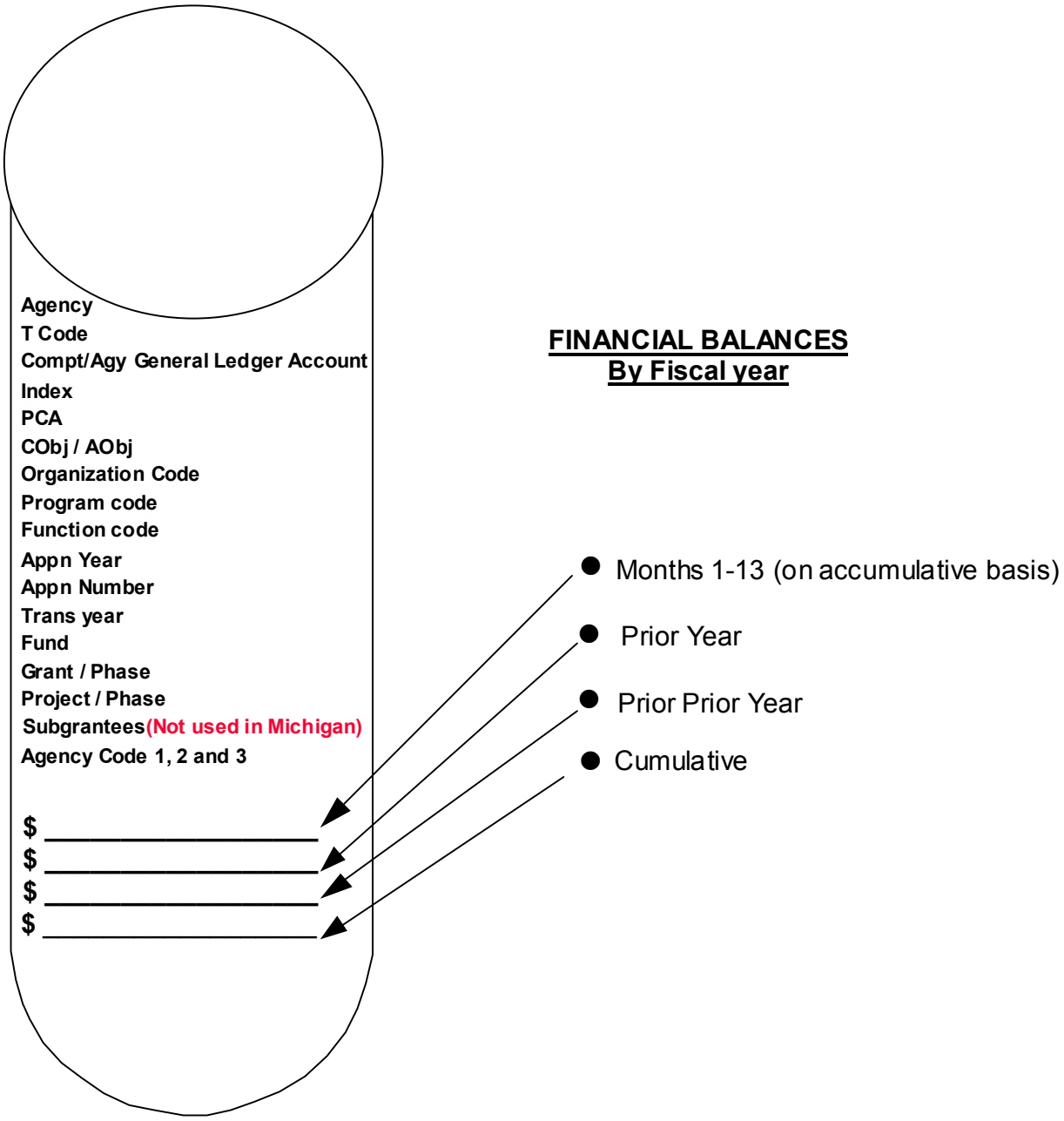
Reports generated off this table at a detail level include summary level reports by fund and general ledger account for balance sheet accounts and detail level management reports for operating accounts. The exhibit on page 7.1-3 provides a diagram of this table.

The chart of accounts for most organizations normally include the following categories:

- **Assets** — including cash, accounts receivable, other current assets, fixed assets, and other non-current assets.
- **Liabilities** — including accounts payable and other short-term and long-term liabilities.
- **Equity Accounts** — including fund balance and retained earnings accounts required for the various fund types.
- **Budgetary Accounts** — such as appropriations and budgetary fund balance.
- **Nominal Accounts** — including revenue, expenditure and other accounts which are closed to equity at year end.
- **Statistic Accounts** — including workload measures, such as labor hours and units of production.

In addition, a number of "memorandum" accounts are maintained in R*STARS. These memo accounts ensure double-entry transactions on a consistent basis and aid in the reconciliation of table balances. Common memo accounts include "Project Budgets" and "Budgetary Clearing." Memo accounts are not reported on financial statements nor are they closed to equity at year-end.

GENERAL LEDGER FINANCIAL TABLE



Each organization has unique internal and external financial reporting needs and each organization may use memo accounts for varying purposes. Furthermore, these needs may change as accounting policies change. R*STARS provides the ability to establish a chart of accounts for an organization's requirements and modify these accounts as requirements change. This capability is provided through the use of the D31 Comptroller General Ledger Account Profile and the Transaction Code Decision Profiles (28A and 28B).

Each agency has the ability to break down the comptroller general ledger account into more detailed supporting accounts. This capability is provided through the use of the D32 Agency General Ledger Account Profile. One to many general ledger accounts may be set up by the agency which look up (or roll up to) a given comptroller general ledger account. These profiles are described below.

Comptroller General Ledger Account Profile

The D31 Comptroller General Ledger Account Profile contains the comptroller general ledger account (the primary key), a title, and control data. The chart on page 7.1-5 displays sample data included in the D31 Profile for the comptroller general ledger account, "Encumbrances." The title is printed on reports which display general ledger account information. The control data is used to define profile support and other posting rules. These rules are also described on page 7.1-5.

This profile's support rules provide the ability to edit transaction code entries in the 28A Transaction Code Decision Profile to ensure that each comptroller general ledger account is consistently supported by the same tables and that the appropriate balance types are posted to those tables.

The D05 Balance Type Profile provides a means for ensuring only valid balance types are recorded in each financial table. Each balance type is defined to post to one or more of the financial tables (Document, Appropriation, Agency Budget, Cash Control, Cash Forecasting, Grant or Project). Therefore, general ledger accounts and transaction codes can only post to those balance types set up for each financial table.

SAMPLE D31 PROFILE ENTRY — "ENCUMBRANCE CONTROL"

Primary Key: 2735 (Comptroller General Ledger Account Number)

Title: ENCUMBRANCE CONTROL

Control Data:

GAAP GL SUBCLASS	Unreserved Fund Bal & Retained Earnings
NORMAL BALANCE	Debit
YEAR END CLOSE	Real — Not Closed
OBJECT IND	Expenditures

Financial Tables

APPROPRIATION	Posted
AGENCY BUDGET	Posted
CASH CONTROL	Not Posted
CASH FORECAST	Not Posted
DOCUMENT FINANCIAL	Posted
GRANT	Posted
PROJECT	Posted

Another edit ensures that the balance type(s) posted by the transaction code is consistent with the balance type(s) posted by that transaction code's general ledger accounts. For example, whenever a transaction is set up to post to the comptroller general ledger account "Encumbrance Control," the 28A Transaction Code Decision Profile should be defined to post to the Document Financial table, as well as other financial tables.

The balance type posted by the transaction code to the Document Financial table could be any valid balance type in the D05 Balance Type Profile. In reference to the example above, both GL Account 2735 (Encumbrances Control) and the transaction code are defined to post to any balance type ("AA") on the Document Financial table and balance type 18 on the Appropriation, Agency Budget, Grant and Project tables. This would include transactions to record the original encumbrance, adjust the encumbrance and liquidate the encumbrance. This procedure ensures

that the balance in the General Ledger table for "Encumbrance Control" reconciles to the total of the encumbrances in the Document Financial table and the other financial tables.
The D31 Comptroller General Ledger Account Profile includes several other indicators which play an important role in financial statement preparation and transaction entry. Some of these indicators are:

- **Normal Balance Indicator** — identifies whether the normal balance of an account is debit or credit.

- **Year End Close Indicator** — determines whether the account is a real (balance sheet), nominal (revenue or expenditure) or memo account. Real (balance sheet) accounts remain open; nominal (revenue or expenditure) accounts are closed to equity and memo accounts are ignored at year end.

- **GAAP GL SubClass** — determines the classification of each comptroller general ledger account to be used during financial statement preparation.

- **Investment Type** — provides a means for classifying types of investments for reporting purposes (e.g., government securities, corporation stocks).

- **GL Edit Type** — determines how the agency general ledger account will be developed and edited. Comptroller GL accounts are supported by Agency GL accounts which are either "A" (Agency) — developed by the agencies, "S" (Statewide) — defined and developed centrally requiring systemwide use, or "D" — Due To's and Due From's. Refer to the next page for a description of how Agency GL accounts are established.

Because the D31 Comptroller General Ledger Account Profile is critical in meeting the financial reporting requirements of an organization, and because comptroller general ledger accounts are used on a systemwide basis, they are established by R*STARS central support personnel.

Transaction Code Decision Profile (28A & 28B)

The Transaction Code Decision Profile (28A and 28B) provides significant flexibility in defining how the chart of accounts is utilized in an organization. In this profile, a transaction code is entered which identifies the comptroller general ledger accounts and the balance types that an accounting transaction will post to. For example, the transaction code used to enter an original encumbrance identifies the following comptroller general ledger accounts:

DR — Encumbrance Control
CR — Encumbrance Offset

This profile also identifies the balance types to be posted to each financial table. For example, "Encumbrance" will post to the Document Financial table as balance type 01 and balance type 18 in the other financial tables. Edits in this profile ensure consistency between the general ledger accounts and the file posting balance types. Therefore, when a change in an organization's chart of accounts occurs, maintenance to the 28A Transaction Code Decision Profile provides the ability to record transactions against new or different comptroller general ledger accounts. However, it should be noted that changes to the 28A Transaction Code Decision Profile should be carefully analyzed to evaluate the impact of the change to the financial tables.

In addition to identifying general ledger accounts and balance types, the transaction code identifies the valid document types and batch types to be used for that transaction. The 28A Transaction Code Decision Profile is established for consistent use by all agencies within an organization. Therefore, it is important that it be developed by R*STARS central support personnel.

Agency General Ledger Account Profile (D32)

This profile is only available on a selected basis.

Comptroller general ledger accounts (Profile D31) are summary accounts which are required for financial statement preparation. However, a lower level of detail is frequently desirable for management and control of certain financial balances. Nominal accounts (revenues and expenditures) are supported at lower levels of detail through the use of a number of classification elements, most commonly the object structure elements — comptroller object and agency object.

Balance sheet accounts are typically supported at lower levels of detail through the use of agency general ledger accounts. A common example of the use of agency general ledger accounts is to provide detail regarding due to and due from accounts. As mentioned earlier, the type of subsidiary support required or allowed for each general ledger account is defined in the D31 Comptroller General Ledger Account Profile with the G/L Edit Type indicator. Agency general ledger accounts are set up and maintained in the D32 Agency General Ledger Account Profile.

It is in this profile that the comptroller general ledger account for which the agency supports (rolls up to) is identified. For example, when the general ledger Edit Type is "D," the agency general ledger account identifies a due to or due from account.

In this example, agency general ledger accounts are used to identify the agency and fund for each due to and due from account. However, these accounts are not maintained in the D32 Agency General Ledger Account Profile. Due to/due from accounts are edited as follows: The first three bytes identify the agency and are edited against the agency profile, the next four bytes identify the fund and are edited against the D23 Fund Profile, and the last byte is zero.

As with general ledger accounts, each organization has unique and changing requirements for agency general ledger accounts. The D32 Agency General Ledger Account Profile provides the needed flexibility. This profile contains the agency general ledger account for each comptroller general ledger account requiring subsidiary support and provides a title.

Real Accounts

Each agency has the ability to store Balance Sheet account activity in the General Ledger Financial table and to track these balances cumulatively across fiscal years. This is accomplished by using a combination of profiles, reports, and queries:

- Profiles
  - — D31 Comptroller General Ledger Account
  - — 28A & 28B Transaction Code Decision
  - — D32 Agency General Ledger Account

- MAIN Reports
  - — DAFR6160 Balance Sheet Account Detail Activity
  - — DAFR8650 Trial Balance by Fund/General Ledger
  - — DAFR8680 Detail Account Activity by Fund
  - — DAFR8890 Comparative Trial Balance
  - — DAFR8920 General Ledger Fund Detail Trial Balance

- MIDB Query
  - — Transactions by Document Number

Agencies may enter transactions that post detail for such Balance Sheet accounts as accounts receivable, accounts payable, and due-to/due-froms into the Document Financial table. Agencies may also establish and use the Agency General Ledger code for recording real account detail. Note that if agencies opt to use the document tracking transaction codes for accounts receivable, accounts payable, and due-to/due-froms, the reference document number entry will be required for the subsequent liquidation or adjustment of the original transaction.

Agencies should note that the GL Edit Type field on the D31 Comptroller General Ledger Account Profile may have a value of ‘S’, ‘A’, or ‘D’. GLs with an ‘S’ or ‘D’ in this field may not be used by agencies when establishing Agency General Ledger Accounts. GLs with an ‘A’ in this field are fully available to agencies for AGL definition.

The information regarding Balance Sheet data can be tracked with the DAFR6160 Report in RMDS, as well as with the MIDB Query. The DAFR6160 Report reads the General Ledger Financial table and reports cumulative real account activity at all levels of the data classification structure including organization, program, project, grant, fund and appropriation levels in the current fiscal year. The MIDB Query will support the document tracking capability by

identifying the original document and all subsequent transactions related to that document. Several reports provide information on the Agency General Ledger Accounts (e.g., DAFR8650, DAFR8680, DAFR8890, and DAFR8920).

7.2 JOURNAL ENTRIES

Journal entries may be defined as transactions entered to adjust or correct account balances. Journal entries may be at the general ledger level, in which case they post only to the General Ledger table, or they may be at a lower level, in which case they post to several R*STARS tables. These two types of journal entries are described below.

DMB, Office of Financial Management (OFM) establishes State of Michigan statewide policy regarding the types of journal voucher transactions initiated by agencies that require OFM approval. If you need guidance as to whether or not a specific journal voucher requires approval, look at the 33 Document Control Profile, and once you have researched your document type, if you need assistance, contact the DMB, OFM liaison for your agency or call (517) 373-1045.

Recording General Ledger Level Entries

Journal vouchers may be entered to make adjustments to the balances of general ledger accounts. For example, recognizing the current portion of a debt which is classified as long-term would normally be entered at the general ledger level as follows:

DR — Long-term Liability
CR — Current Liability

Users must be sure to select the correct transaction code when recording journal entries. If the level of table support is not known, refer to the D31 Comptroller General Ledger Account Profile for the table support indicators (i.e., appropriation, agency budget, cash control, cash forecast, document, grant and project).

General ledger level journal entries may be recorded using a special transaction code, if one has been defined, or they may be recorded with a "generic" transaction code. Special transaction codes are usually established for journal entries which recur with some regularity. For example, if the transaction described above (transferring long-term debt to a current liability account) was common, a special transaction code might be developed specifically for this accounting event.

Generic transaction codes should only be used when a specific transaction code is not available. For example, the combination of general ledger accounts updated may be relatively uncommon and therefore would not exist as a specific transaction code. In cases where specific transaction codes are not developed, the use of generic transaction codes is appropriate if the transaction is to be recorded in the General Ledger Financial table only. Using the same example, the following two transactions would be required to transfer long-term debt to a current liability account:

DR — Long-term Liability
CR — Suspense Clearing

DR — Suspense Clearing
CR — Current Liability

The net effect on the suspense clearing account should be zero. Any balances remaining in this account must be investigated.

Recording Financial Table Adjustments

Lower level adjustments are required when users enter valid but inappropriately used codes on transactions, such as the wrong transaction code, index or object. These types of adjustments usually affect several system tables.

When transactions are posted inappropriately to general ledger accounts which are supported by other system tables, two methods are available for correcting the error. One method is reversing the impact of the original transaction and re-entering it with the correct data. This is normally performed as a routine procedure and is, therefore, not considered a typical journal entry. The second method is to enter one or more transactions to correct the impact in the tables without reversing and re-entering all of the invalid transactions. This second method is preferred when a relatively large number of transactions is involved.

The following examples illustrate lower level journal entries. **These examples should not be considered local procedures in Michigan.** Each situation should be analyzed independently to determine the appropriate action to take.

Example 1

An accounts receivable transaction is entered into the system with the wrong vendor number. To correct this error, the original transaction must be reversed and re-entered with the correct vendor number.

Example 2

A batch of ten transactions is entered with the wrong general ledger account. This condition is noted when the period end reports are received. To correct this error, two transactions which post to the general ledger table would be required. The first transaction would decrease the balance in the wrong general ledger account. The second transaction would increase the balance in the correct general ledger account.

Example 3

An employee transfers to a new organization and is incorrectly charged to the wrong index. To correct this error, the original transaction could be reversed and re-entered or an adjusting entry to transfer the expenditure to the correct index could be entered.

Example 4

Cash receipts are posted to the wrong fund. To correct the cash and revenue balances, the original transaction could be reversed and re-entered or adjusting entries to both funds could be entered.

7.3 INTERAGENCY TRANSFERS

Interagency transfers are used to record financial activity between agencies and/or funds, such as goods or services bought or sold. In general, the agencies should record "Due To" and "Due From" transactions when the interagency transfers/billings take place. If the Agencies do not record these accrual entries as they are incurred, year-end journal entry adjustments will be required to record the year-end accrual amounts.

Expenditure transfer transactions are entered to record expenditures in organizations receiving goods and services from another organization within the government or correction expenditures that were posted incorrectly. The transaction codes used depend upon the funds involved. The term "seller" refers to the organization providing the goods or services and the term "buyer" refers to the organization receiving the goods or services. Typical transaction types follow:

- Record receipt of intergovernmental receivable from another agency (used to record revenue for an agency seller)
- Record expenditure transfer out (used to reduce expenditures where they were originally charged incorrectly)
- Record expenditure transfer in (used to increase expenditures where they were originally not charged correctly)

Note: If the expenditure was previously encumbered by the buyer, an additional entry is required to liquidate the encumbrance.

Interagency transfers will be typically recorded using the 509 Companion Transaction Entry screen. See R*STARS Data Entry Guide, Chapter 8 for an example of an interagency transfer transaction.

Categories of Intra-Agency and Interagency Transfers

There are several categories of intra-agency and interagency transfers, including:

Interagency purchases and sales – Transactions between two agencies can be initiated in ADPICS by purchase order and standard voucher using an interagency interface type. They can also be initiated in R*STARS using companion transaction processing.

Intra-agency purchases and sales – Transactions within one agency can be initiated in ADPICS by purchase order and standard voucher using an interagency interface type. They can also be initiated in R*STARS using companion transaction processing.

Operating transfers between funds – Use R*STARS companion transaction processing.
One agency spending money appropriated to another agency – Note: This process is not being used in Michigan at this time. There are two alternatives. The recommended approach is to allow the spending agency access to the agency where the money is appropriated and sign interagency agreements outlining the agreed upon access authorization. The second, less desirable and more complex, approach is to define specific security organizations in the agency with the appropriation that this spending agency will have access to. This would be accomplished by assigning an additional user ID to those individuals who record these transactions. When these individuals record transactions for their own Agency, they will need to log-off and log-in.

Cash receipts by one agency on behalf of another agency – This is usually handled by Treasury who deposits the cash in the deposit clearing fund and then the agency processes a companion transaction to redistribute the funds or the agencies deposit the cash into their accounts and then redistribute it.

Distributions of costs within one agency – Normal structured cost distributions within an agency will be performed using journal vouchers, which do not require DMB OFM approval (Document Type GE, Expenditure Transfer - No DMB Approval). Error corrections will require OFM approval.

For examples and other details, see R*STARS Data Entry Guide, Chapter 8, Section 8-3, Interagency Transfers (operating transfers), or contact your DMB OFM liaison.

7.4 CASH CONTROL

R*STARS provides the ability to control encumbrances and expenditures against available cash balances. This optional feature may be selected on an appropriated fund or fund basis and/or an individual grant basis. For example, a fund's cash balance may not be allowed to fall below zero or advances on a particular grant may not be overexpended. Cash control may be implemented on a fatal, warning or ignore basis.

The methods of controlling cash balances and establishing the levels and severity of control are described below.

Controlling Cash Balances

Various options available in R*STARS for implementing cash control include:

- Determining cash control levels
- Defining cash balances
- Determining the severity of cash control
- Automatic payback

The following paragraphs describe these options.

Determining Cash Control Levels

Cash control may be provided for appropriated funds, funds and/or grant phases. One or more funds in the organization may have cash control. The cash control level is at the appropriated fund level. Note, however, that all funds within an appropriated fund must have a consistent level of cash control. In other words, if any fund within an appropriated fund is controlled, all funds within that appropriated fund should be controlled.

For grants, cash control is always at the grant phase level. However, each phase of a grant may be controlled differently. One phase may have fatal cash control, another warning cash control, and a third have no control.

The selection of cash control for funds and grants is independent. This means that grants associated with a particular fund may or may not utilize cash control, regardless of whether the fund's cash is controlled.

Defining Cash Balances

The cash balance is net cash available. The cash balance is considered the actual cash on hand, less cash reserved for payroll, without regard to accounts payable. Cash loaned to the general fund can be automatically paid back when needed by the fund.

Determining the Severity of Cash Control

Cash control may be defined for each appropriated fund or fund and grant phase as fatal, warning or ignore. If fatal severity is selected, expenditure transactions which exceed the cash balance are not posted to the table. If warning control is implemented, a warning message is reported and the transaction posts to the financial tables. Ignore control means that no cash control is performed.

Automatic Payback

In some cases the general fund is allowed to borrow from another fund. These loans are recorded as cash borrowing.

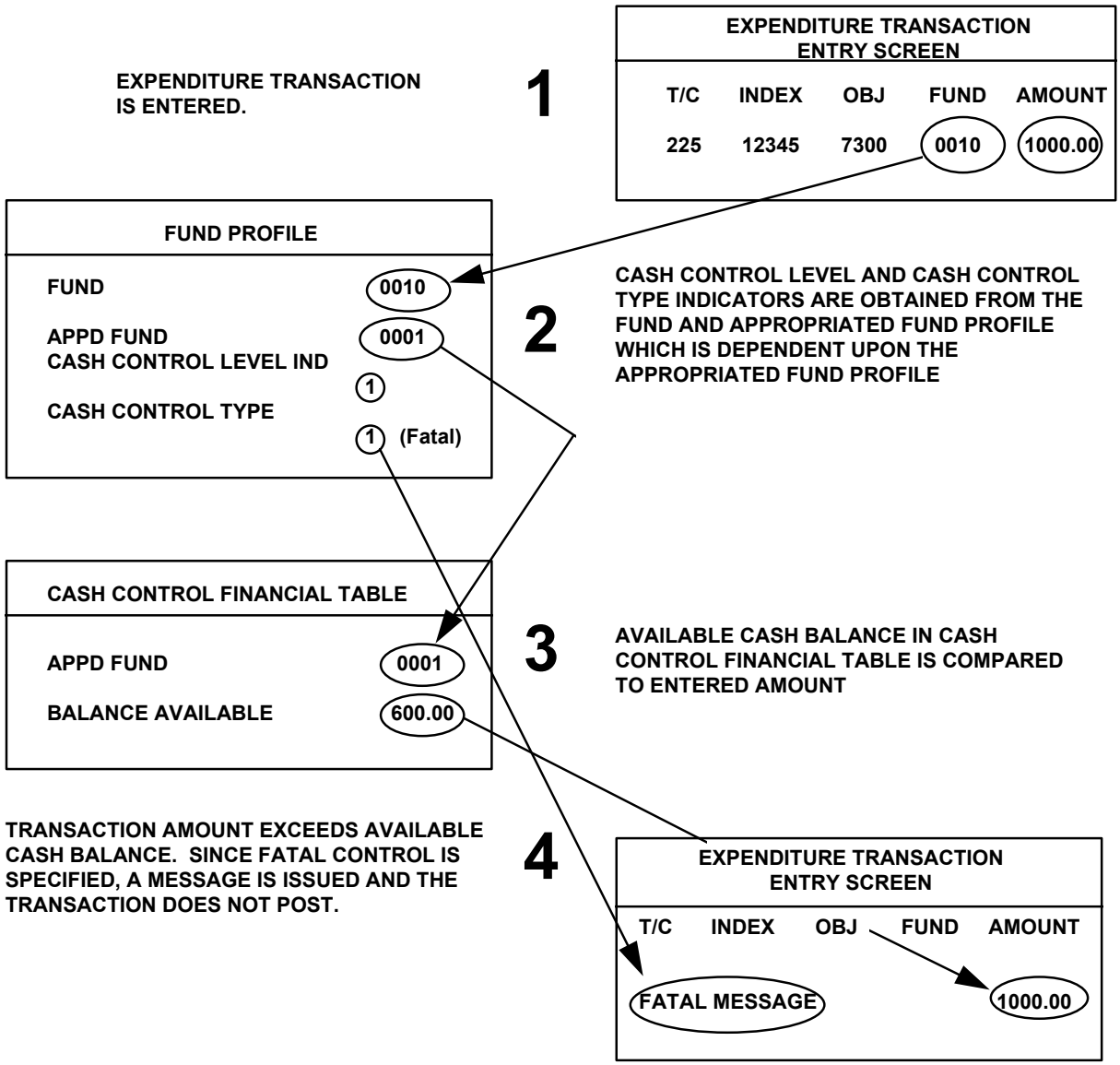
If adequate real cash is, without regard to general fund loans outstanding, sufficient to post the expenditure, payback is not invoked. If cash is not available, R*STARS determines if the appropriated fund/fund has receivables from the general fund. If the receivable is large enough to cover the expenditure, a payback posting is performed.

Establishing Cash Control

Cash control is established in R*STARS through the use of system profiles and the Cash Control Financial table. The profiles contain indicators which determine how the cash balance is defined, what appropriated funds, funds and/or grants will have cash control and the severity of those controls. The Cash Control Financial table is used to maintain these controls. The exhibit on the next page displays how cash control is applied in R*STARS for an appropriated funds which controls funds.

Individuals with User Class 93, (Operating Transfer Entry) and User Class 33, (Interagency Voucher Process – R*STARS) have funds control override capability, which alleviates the problem of receiving error messages caused by cash control edits when funding does not exist.

CONTROLLING CASH



The indicators used in the system profiles to determine how cash is controlled are described below.

INDICATORS RELATED TO CASH CONTROL

PROFILES	INDICATOR	PURPOSE
Transaction Code Decision	**CC Table Posting**	Determines which transactions post to the CC table. This includes all cash transactions.
Appropriated Fund	**CC Type**	May be set to fatal, warning or ignore. Also determines the severity of control over the appropriated fund if the level is set to Fund.
Fund	**CC Post Level**	Determines if the level of control is at the appropriated fund or at the fund level.
Grant Control	**CC Type**	May be set to fatal, warning or ignore for the Grant/Phase basis in the grant/phase budget level indicator.
	CC CTL Post Level	Determines if cash control will be used for the grant phase or grant level.

7.5 RECURRING TRANSACTIONS

The ability to automatically post those transactions that recur on a continuous basis is available in R*STARS. This capability is designed to reduce the manual effort necessary for repetitive posting of like transactions and decreases the likelihood of errors occurring in posting. The R*STARS system contains a Recurring Transaction subsystem which allows fixed transaction schedules and amounts to be stored and accessed to automatically generate transactions. The Recurring Transaction subsystem is maintained through the use of two system profiles, the 550 Recurring Transaction Profile and the 93 Recurring Transaction Request Profile.

The 550 Recurring Transaction Profile also includes the data elements necessary to record Split Transactions. R*STARS transaction split process provides the capability for splitting various types of transactions, including revenues and expenditures, into multiple transactions with classifications provided through the 550 Recurring Transaction Profile. The remainder of this section discusses the traditional types of recurring transactions. See Data Entry Guide, Chapter 3 for discussion of Transaction Split Processing.

This section describes the recurring transaction capabilities which include:

- Defining the transaction and its generation schedule in the 550 Recurring Transaction Profile.
- Generating proof lists and accounting transactions for those recurring transactions identified in the 550 Recurring Transaction Profile which fall within the scheduled dates identified in the 93 Recurring Transaction Request Profile.
- Defining coding blocks which can be recalled on-line. These coding blocks are established in the 550 Recurring Transaction Profile.
- Entering a Recurring Transaction Index (RTI) on any financial transaction entry screen and retrieving the coding block identified in the 550 Recurring Transaction Profile.
- Entering a PCA or Grant on any financial transaction coding screen and retrieving an RTI.

Each area is discussed in detail in the following paragraphs.

Batch Process

Defining Transactions and Their Generated Schedules

The batch recurring transaction process utilizes the 550 Recurring Transaction Profile to define accounting transactions that recur on a systematic basis. The 550 Recurring Transaction Profile contains the most commonly used R*STARS input coding elements, including a transaction code and a scheduling segment. Therefore, it will be utilized to post R*STARS transactions on a predefined schedule where all required elements can be entered for a given transaction code.

The transaction code to be used must be analyzed to insure that all required coding elements are entered in the 550 Recurring Transaction Profile. Each transaction must contain all classification data required by the transaction code as defined in the 28A Transaction Code Decision Profile. Incomplete recurring transaction entries will generate accounting transactions which will be in error and will not post until corrected.

"Schedule" dates are also included in the 550 Recurring Transaction Profile and are used to determine the schedule for generating and posting each recurring transaction. These dates are required for each recurring transaction and are matched to cycle requests as a basis for determining which transactions are to be processed.

Valid values for the four generate schedule dates include: "MMDD" for a specific month and date, and "DD" for a specific day. If the first date in the generate schedule is in the format DD, all dates in the schedule must be in the format DD. If the first date in the generate schedule is in the format MMDD, all dates in the schedule must be in the format MMDD. The chart below shows examples of generate schedule dates.

Transaction Dates	MMDD1	MMDD2	MMDD3	MMDD4
June 1, Dec 1	0601	1201		
First of each month	01			
End of each quarter	0331	0630	0930	1231
Weekly	07	14	21	28

Requesting Proof Lists and Generating Recurring Transactions

Once the recurring transaction and generate schedule are defined in the 550 Recurring Transaction Profile, the recurring transaction process may be initiated. Each agency has the ability to request a recurring transaction to be calculated and printed on a proof listing, i.e., the DAFR4202 Recurring Transactions Summary Report (not entered into the update process), or calculated and entered into the financial table update process.

The request for generation of recurring transactions must be made for transactions to be generated. These requests are made by requesting cycles (all transactions due on a given date)

for processing. These requests are entered in the 93 Recurring Transaction Request Profile. This profile is defined and controlled by each agency.

Users can request recurring transactions to be processed by entering the request information on the 93 Recurring Transaction Request Profile. The transaction request record identifies cycles to be processed (cycle selection) and whether transactions are to be calculated and reported on a proof listing (DAFR4202) or calculated and entered to the posting process (Transaction Indicator = 'P' or 'G').

Both the generate schedule (in the 550 Recurring Transaction Profile) and the cycle requests (in the 93 Recurring Transaction Request Profile) are in date format. The generate schedule in the 550 Recurring Transaction Profile contains specific dates, while cycle selections in the 550 Transaction Request Profile contain one date and/or a range of dates. When the schedule date and a cycle date coincide, the recurring transaction is selected for processing.

There are six cycle request fields in the 93 Recurring Transaction Request Profile. Therefore, different cycles can be requested for which the system may perform different processing. For example, one cycle can be requested to be listed for proofing (DAFR4202) and one cycle can be requested for transaction generation on the same day.

Processing of recurring transactions occurs nightly during the batch update process. Processing is controlled by the transaction indicator in the 93 Recurring Transaction Request Profile. Values for this indicator include 'P' for print and 'G' for generate. When the indicator is set to 'P,' a proof listing is generated (i.e., the transactions do not post). The transaction indicator remains set to 'P,' allowing proof listings for a cycle to be reviewed for an indefinite period. Transactions are generated by changing the transaction indicator from 'P' to 'G.'

When the indicator is set to "G," the transactions are generated for posting to R*STARS and are also printed on the DAFR4202 Recurring Transaction Summary Report. Once generated, the transaction indicator is changed to blank.

Examples of batch generation of recurring transactions and on-line use of coding blocks are included in the remainder of this section.

On-Line Process

Defining Coding Blocks to be Retrieved On-Line

The on-line recurring transaction process utilizes the 550 Recurring Transaction Profile to define various coding blocks which can be retrieved on-line. Each coding block is assigned a Recurring Transaction Index (RTI) number, which can be used to retrieve the specified coding block to any financial transaction entry screen.

Retrieving the Coding Block On-Line and Processing the Transaction

The coding block is retrieved by entering the batch agency and the RTI on the Financial Transaction Entry screen, and selecting the "F3–RTI" function key. Any coding block elements defined on the 550 Recurring Transaction Profile overlay data on the Transaction Entry screen. Any blank coding block elements defined on the RTI Profile do not overlay entered field elements on the Transaction Entry screen.

Once the coding block is retrieved and edited to a specific Transaction Entry screen, the transaction is processed by R*STARS in the same manner other financial transactions are processed in accordance with a specified batch edit mode.

Retrieving the RTI and Processing the Transaction

An RTI can be called by a PCA, Grant Control or Project Control in order to split a transaction between coding elements. A PCA or a Grant Number/Phase may be tied to an RTI on the 26 Program Cost Account Profile and the 29 Grant Control Profile respectively. If both a PCA and a Grant Number/Phase are entered that call RTIs, the PCA's RTI will take precedence.

If a PCA or Grant Number/Phase is entered which calls an RTI while in edit mode 0 or 1, the RTI coding block information will be retrieved during the nightly batch cycle.

Defining Coding Blocks

Full coding blocks may be defined in the 550 Recurring Transaction Profile. By selecting the "F4 – Edit" function key, the profile is edited as if an actual transaction is being entered. After the profile meets the transaction code and input requirements, the "F10 – Save" function key may be selected to save the profile.

Defining Partial Coding Blocks

Partial coding blocks may be defined in the 550 Profile. This is done by entering data elements and selecting the "F10 – Save" function key. The profile will not go through the edits required by the "F4 – Edit" function key. When the RTI is called from the Transaction Entry screen, only the data elements defined in the 550 Profile will be retrieved; blanks will not. Partial coding blocks are ideally used when the transaction is to be split between two or more data elements, such as fund or grant. For example, an RTI may have two transaction numbers within the RTI that define the percentage to be allocated as 25% to the General Fund and 75% to the Federal Fund. Thus, when an amount is entered during transaction entry and the RTI is called, the transaction amount will be split between the funds defined on the 550 Profile by the percentages.

In the on-line RTI process, the current document and reference document number values are not retrieved from the 550 Profile, and must be entered on-line on the Transaction Entry screen.

Example of a Batch Generation

Example agency has a $500 rental payment that must be generated on the fifteenth day of each month.

On December 12, a recurring transaction record is established for transaction number "123456" which will allow generation of this transaction each month.

```
S550 2.0                      R*STARS ACCOUNTING              08/15/94 12:00 PM
LINK TO:                  RECURRING TRANSACTION PROFILE                    FACS

AGENCY: 999   TRANS NO: 123456                       RTI:         RTI TYPE: R
USER ID: R★STARS0001    DESCRIPTION: OFFICE RENT EXPENSE
GENERATE SCHEDULE (MMDD) - 1:   15       2:       3:       4:
 BATCH - AGY: 999        TYPE: 4    DOC DATE: 121293     SERV DATE: 11151993
 CUR DOC/SFX: VVAS1234 001             REF DOC/SFX:
  TRANS CODE: 225
       INDEX: 00000000500.00:
     DOC AMT: 0000000050000727
         PCA:
COMP/AGY OBJ: 7462           RVS:   DISCOUNT:                  FUND OVRD:
      AMOUNT:.00             DOC AGY: 999                        BANK ID:
 % ALLOCATED:                PDT:      MOD:     APPN YEAR: 94   APPN NO:
        FUND:            GL ACCT/AGY:
 GRANT NO/PH:            SUBGRANTEE:                    PROJ NO/PH:
        MPCD:            AGY CD - 1:            2:          3:
     VEND/MC: 2222222222 001                          STATUS CODE: A
 EFF START DATE: 07011993   EFF END DATE: 06301994   LAST PROC DATE: 07011993



F1-HELP     F3-DELETE    F4-EDIT  F5-NEXT TRANS NO  F8-NEXT FOR RTI  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR F12-RTI COMPLETE      ENTER-INQUIRE     CLEAR-EXIT
```

Also on December 12, the user requests a proof list of all transactions scheduled for December 15 through 21 by entering this range of dates in the cycle selection and a 'P' for the Transaction Indicator on the 93 Recurring Transaction Request Profile. A 'P' will run a proof list (DAFR4202) of transaction numbers with generate dates that coincide with the Cycle Selection indicated here. A 'G' Transaction indicator would actually generate the transactions for posting.

```
S093 2.0                          R★STARS ACCOUNTING          08/15/94 12:00 PM
LINK TO:                      RECURRING TRANSACTION REQUEST                FACS



AGENCY: 999
CYCLE          FROM DATE   TO DATE    TRANS     FROM DATE   TO DATE   TRANS
SELECTION:        MMDD       MMDD      IND        MMDD       MMDD      IND
               1: 1215       1221       P       4:
               2:                                5:
               3:                                6:
```

```
TRANSACTIONS TO EXCLUDE:
  1:            2:            3:            4:            5:
  6:            7:            8:            9:           10:

TRANSACTIONS TO INCLUDE:
  1:            2:            3:            4:            5:
  6:            7:            8:            9:           10:
                                                 STATUS CODE: A
 EFF START DATE: 12121990   EFF END DATE:           LAST PROC DATE:

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT
```

The system performs the following functions during the batch process on the night of December 12:

- The December 15 rental payment transaction recorded in transaction number "123456" is printed on the DAFR4202 Recurring Transactions Summary Report.
- The system changes the Cycle 1 Transaction Indicator from 'P' to blank automatically after the overnight batch process is complete.

On the following day, the 93 Recurring Transaction Request Profile appears as follows:

```
S093 2.0                        R★STARS ACCOUNTING              08/15/94 12:00 PM
LINK TO:                   RECURRING TRANSACTION REQUEST                      FACS



AGENCY: 999
CYCLE          FROM DATE   TO DATE    TRANS    FROM DATE   TO DATE   TRANS
SELECTION:        MMDD        MMDD      IND       MMDD        MMDD      IND
               1: 1215        1221               4:
               2:                                5:
               3:                                6:

TRANSACTIONS TO EXCLUDE:
  1:            2:            3:            4:            5:
  6:            7:            8:            9:           10:

TRANSACTIONS TO INCLUDE:
  1:            2:            3:            4:            5:
  6:            7:            8:            9:           10:
                                                  STATUS CODE: A
 EFF START DATE: 12121990   EFF END DATE:            LAST PROC DATE:

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT
```

On December 15, the user recalls the 93 Recurring Transaction Request Profile for the agency and changes the transaction indicator from “blank” to ‘G’ to generate the transaction numbers included in the cycle selection date range.

```
S093 2.0                        R★STARS ACCOUNTING              08/15/94 12:00 PM
LINK TO:                   RECURRING TRANSACTION REQUEST                      FACS



AGENCY: 999
CYCLE          FROM DATE   TO DATE    TRANS    FROM DATE   TO DATE   TRANS
SELECTION:        MMDD        MMDD      IND       MMDD        MMDD      IND
               1: 1215        1221        G       4:
               2:                                5:
               3:                                6:

TRANSACTIONS TO EXCLUDE:
  1:            2:            3:            4:            5:
  6:            7:            8:            9:           10:

TRANSACTIONS TO INCLUDE:
  1:            2:            3:            4:            5:
  6:            7:            8:            9:           10:
                                                  STATUS CODE: A
 EFF START DATE: 12121990   EFF END DATE:            LAST PROC DATE:

F1-HELP F3-DEL F5-NEXT F9-INT F10-SAVE F11-SAVE/CLEAR ENTER-INQ CLEAR-EXIT
```

During the overnight batch update on December 15, the system performs the following actions:

- Transactions are generated for Trans Number "123456" and printed on the DAFR4202 Recurring Transactions Summary report.
- System deletes Cycle Selection 1 (the screen will be blank if recalled for the agency the next day).

The 550 Recurring Transaction Profile appears as follows on December 16. Notice that the current document number is incremented by 1 automatically by the system so that a unique document number is used the next time the transaction number is generated.

```
S550 2.0                      R*STARS ACCOUNTING             08/15/94 12:00 PM
LINK TO:                  RECURRING TRANSACTION PROFILE                    FACS

AGENCY: 999   TRANS NO: 123456                        RTI:         RTI TYPE: R
USER ID: R★STARS0001    DESCRIPTION: OFFICE RENT EXPENSE
GENERATE SCHEDULE (MMDD) - 1:   15       2:       3:       4:
 BATCH - AGY: 999        TYPE: 4    DOC DATE: 121293     SERV DATE: 11151993
 CUR DOC/SFX: VVAS1235 001              REF DOC/SFX:
  TRANS CODE: 225
       INDEX: 00727
         PCA:
COMP/AGY OBJ: 7462
      AMOUNT: 00000000500.00 RVS:   DISCOUNT:                  FUND OVRD:
     DOC AMT: 00000000500.00 DOC AGY: 999                       BANK ID:
 % ALLOCATED:                PDT:      MOD:     APPN YEAR: 94   APPN NO:
        FUND:            GL ACCT/AGY:
 GRANT NO/PH:            SUBGRANTEE:                    PROJ NO/PH:
        MPCD:            AGY CD - 1:            2:           3:
     VEND/MC: 2222222222 001                            STATUS CODE: A
 EFF START DATE: 07011993   EFF END DATE: 06301994   LAST PROC DATE: 07011993


F1-HELP    F3-DELETE  F4-EDIT  F5-NEXT TRANS NO  F8-NEXT FOR RTI  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR F12-RTI COMPLETE      ENTER-INQUIRE     CLEAR-EXIT
```

Example of Retrieving Coding Blocks On-Line

Example agency prepares a monthly computer equipment rental payment which is charged to two appropriations at 60% and 40%, respectively. The amount of the payment varies by month based on actual computer usage.

On December 12, Trans Number "224455" and Trans Number "224456" were added to the 550 Recurring Transaction Profile. Notice that RTI "123123" is assigned to both of the transaction numbers.

```
S550 2.0                      R*STARS ACCOUNTING             08/15/94 12:00 PM
LINK TO:                 RECURRING TRANSACTION PROFILE                    FACS

AGENCY: 999   TRANS NO: 224455                       RTI: 123123   RTI TYPE: R
USER ID: R★STARS0001    DESCRIPTION: COMPUTER EQUIPMENT RENTAL
GENERATE SCHEDULE (MMDD) - 1:            2:       3:       4:
 BATCH - AGY: 999        TYPE: 4    DOC DATE: 121293     SERV DATE: 11111993
 CUR DOC/SFX: VVAS0001 001             REF DOC/SFX:
  TRANS CODE: 225
       INDEX: 10000
         PCA:
COMP/AGY OBJ: 7411
      AMOUNT: 00000000000.00 RVS:   DISCOUNT:                 FUND OVRD:
     DOC AMT: 00000000000.00 DOC AGY: 999                     BANK ID:
 % ALLOCATED: .60            PDT:      MOD:     APPN YEAR: 94   APPN NO:
        FUND:            GL ACCT/AGY:
 GRANT NO/PH:            SUBGRANTEE:                   PROJ NO/PH:
        MPCD:            AGY CD - 1:            2:           3:
     VEND/MC: 1111111111 001                          STATUS CODE: A
 EFF START DATE: 12121993   EFF END DATE:           LAST PROC DATE:


F1-HELP   F3-DELETE   F4-EDIT F5-NEXT TRANS NO  F8-NEXT FOR RTI  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR F12-RTI COMPLETE  ENTER-INQUIRE  CLEAR-EXIT
```

```
S550 2.0                      R*STARS ACCOUNTING             08/15/94 12:00 PM
LINK TO:                 RECURRING TRANSACTION PROFILE                    FACS

AGENCY: 999   TRANS NO: 224456                       RTI: 123123   RTI TYPE: R
USER ID: R★STARS0001    DESCRIPTION: COMPUTER EQUIPMENT RENTAL
GENERATE SCHEDULE (MMDD) - 1:            2:       3:       4:
 BATCH - AGY: 999        TYPE: 4    DOC DATE: 121293     SERV DATE: 11111993
 CUR DOC/SFX: VVAS0001 002             REF DOC/SFX:
  TRANS CODE: 225
       INDEX: 20000
         PCA:
COMP/AGY OBJ: 7411
      AMOUNT: 00000000000.00 RVS:   DISCOUNT:                 FUND OVRD:
     DOC AMT: 00000000000.00 DOC AGY: 999                     BANK ID:
 % ALLOCATED: .40            PDT:      MOD:     APPN YEAR: 94   APPN NO:
        FUND:            GL ACCT/AGY:
 GRANT NO/PH:            SUBGRANTEE:                   PROJ NO/PH:
        MPCD:            AGY CD - 1:            2:           3:
     VEND/MC: 1111111111 001                          STATUS CODE: A
 EFF START DATE: 12121993   EFF END DATE:           LAST PROC DATE:


F1-HELP   F3-DELETE   F4-EDIT F5-NEXT TRANS NO  F8-NEXT FOR RTI  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR F12-RTI COMPLET   ENTER-INQUIRE  CLEAR-EXIT
```

Also note that the profile is coded so that the:

- Current Document Number/SFX is unique.
- Index changed to identify the proper appropriation.
- % Allocated on both profiles adds to 100%.

The RTI is the same for both numbers and allows both predefined coding blocks to be recalled during data entry.

On December 19, the computer equipment rental payment is entered, using a Batch Count of 2 and a Batch Amount of $1000.00.

```
S500 2.0                        R★STARS ACCOUNTING            08/15/94 12:00 PM
LINK TO:                        BATCH HEADER ENTRY                        FACS


          BATCH AGENCY: RG1              (SIGN ON AGENCY)
            BATCH DATE: 011994           (MMDDYY, DEFAULTS TO TODAYS DATE)
            BATCH TYPE: 4
          BATCH NUMBER: 222

           BATCH COUNT: 2                BATCH AMOUNT: 1000.00

       BATCH EDIT MODE: 2                (0=NO EDIT/POST, 1=EDIT, 2=EDIT/POST)
     PAYMENT DIST TYPE:                  (MUST BE IN D50 PDT PROFILE)
         DISB METH IND:                  (H, L, M, R, E OR SPACE)
        EFFECTIVE DATE:                  (MMDDYY, DEFAULTS TO TODAYS DATE)
            FAST ENTRY:                  (M/S/I/P/ )
               USER ID:
           USER CLASS:
    ACTION CODE AGENCY:
          ACTION CODE:



 F1-HELP    F9-INTERRUPT    F10/F11-SAVE    CLEAR-EXIT
```

The first coding block is retrieved by entering the RTI and total amount.

```
S505 2.0                      R*STARS ACCOUNTING             08/15/94 12:00 PM
LINK TO:             PRE-ENC/ENC/EXPEND TRANSACTION ENTRY      NOTE:      FACS
BATCH: AGENCY 999 DATE 121993 TYPE 3 NO 300 SEQ NO 00001 MODE EDIT AND POST
DOC DATE:          EFF DATE: 121693  DUE DATE:         SERV DATE: 121693
 CUR DOC/SFX:               REF DOC/SFX:               MOD:    AGENCY: 999
  TRANS CODE:
       INDEX:
         PCA:                                                    AY: 94
COMP/AGY OBJ:
      AMOUNT: 000001000.00   RVS:    DISC:                1099:   FO:   PDT:
DOC COUNT:       DOC AMT:               DOC AGY:     CI:    PROP #:
      INV NO:                DT:           DESC:
VEND/MC:                 NM:
CONT NO:               ADD1:
WARR NO:               ADD2:
APPN NO:               ADD3:
FUND:     BNK ID:      ADD4:                                      CTRY:
GL AC/AGY:               CITY:                       ST:     ZIP:
 GRANT NO/PH:            SUB GRANTEE:                PROJ NO/PH:
 MPCD:               AGY CD-1:      2:      3:        DI:           RTI: 123123


F1-HELP  F3-RTI  F4-EDIT  F6-BALANCING  F7-DETAILS  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR  F12-HEADERS  CLEAR-EXIT
```

Selecting "F3" retrieves the coding block from the first transaction associated with RTI "123123."

```
S505 2.0                      R*STARS ACCOUNTING             08/15/94 12:00 PM
LINK TO:             PRE-ENC/ENC/EXPEND TRANSACTION ENTRY      NOTE:      FACS
BATCH: AGENCY 999 DATE 121993 TYPE 3 NO 300 SEQ NO 00001 MODE EDIT AND POST
DOC DATE:          EFF DATE: 121693  DUE DATE:         SERV DATE: 121693
 CUR DOC/SFX: VVAS0001 001  REF DOC/SFX:               MOD:    AGENCY: 999
  TRANS CODE: 225
       INDEX: 10000
         PCA:                                                    AY: 94
COMP/AGY OBJ: 7411
      AMOUNT: 000000600.00   RVS:    DISC:                1099:   FO:   PDT:
DOC COUNT: 0001  DOC AMT: 000001000.00    DOC AGY:     CI:    PROP #:
      INV NO:                DT:           DESC:
VEND/MC: 11111111111 001 NM:
CONT NO:               ADD1:
WARR NO:               ADD2:
APPN NO:               ADD3:
FUND:     BNK ID:      ADD4:                                      CTRY:
GL AC/AGY:               CITY:                       ST:     ZIP:
 GRANT NO/PH:            SUB GRANTEE:                PROJ NO/PH:
 MPCD:               AGY CD-1:      2:      3:        DI:           RTI: 123123


F1-HELP  F3-RTI  F4-EDIT  F6-BALANCING  F7-DETAILS  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR   F12-HEADERS  CLEAR-EXIT
```

Note that only 60%, or $600, is displayed on the screen. The Doc Amt is a required field and must be entered before the transaction is processed. Select "F10" to process the transaction.

The second coding block is retrieved by selecting "F3".

```
S505 2.0                      R*STARS ACCOUNTING             08/15/94 12:00 PM
LINK TO:              PRE-ENC/ENC/EXPEND TRANSACTION ENTRY      NOTE:      FACS
BATCH: AGENCY 999 DATE 121993 TYPE 3 NO 300 SEQ NO 00001 MODE EDIT AND POST
DOC DATE:          EFF DATE: 121693  DUE DATE:         SERV DATE: 121693
 CUR DOC/SFX: VVAS0001 001  REF DOC/SFX:               MOD:    AGENCY: 999
  TRANS CODE: 225
       INDEX: 20000
         PCA:                                                      AY: 94
COMP/AGY OBJ: 7411
      AMOUNT: 000000400.00   RVS:    DISC:                1099:   FO:   PDT:
DOC COUNT: 0001  DOC AMT: 000001000.00    DOC AGY:     CI:    PROP #:
      INV NO:                 DT:           DESC:
VEND/MC: 11111111111 001 NM:
CONT NO:                ADD1:
WARR NO:                ADD2:
APPN NO:                ADD3:
FUND:     BNK ID:       ADD4:                                     CTRY:
GL AC/AGY:                CITY:                        ST:     ZIP:
 GRANT NO/PH:             SUB GRANTEE:                  PROJ NO/PH:
 MPCD:               AGY CD-1:      2:      3:         DI:           RTI: 123123


F1-HELP  F3-RTI  F4-EDIT  F6-BALANCING  F7-DETAILS  F9-INTERRUPT  F10-SAVE
F11-SAVE/CLEAR  F12-HEADERS  CLEAR-EXIT
```

Select "F10" to process. When processed, 40% of the amount, or $400, is calculated for the second transaction. The batch can then be balanced and released for processing.